## **CHAPTER NO. 260**

## SENATE BILL NO. 432

## By Haynes, Herron

Substituted for: House Bill No. 452

By McDonald, Bone, Fowlkes, Williams, Arriola

AN ACT To amend Tennessee Code Annotated, Title 4, Chapter 1, relative to expenditure of state funds for public relations contracts.

## BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 4, Chapter 1, Part 1, is amended by adding the following language as a new, appropriately designated section:

Section \_\_\_\_. (a) As used in this act "public funds" means state revenues appropriated in the General Appropriations Act.

- (b) The General Assembly finds that it is the public policy of this state that public funds shall not be obligated nor expended, nor shall a contract be entered into with an advertising, government affairs, or public relations firm, to promote, achieve, establish or restore a favorable relationship with the Tennessee public solely related to the image of any department, agency or office of the legislative, judicial or executive branch of government, when such advertising or public relations material, advertisement or communication provides no useful information, service or benefit to the public, unless such expenditure is included as a specific identifiable item in the General Appropriations Act.
- (c) The board of regents and the board of trustees shall develop policies governing the expenditure of public funds which, while promoting the respective institutions of higher education included within their systems and adequately informing the general public about the specific educational opportunities, nature and uniqueness of each institution, are not used to represent the institution as being superior to any other specific state public institution of higher education.
- (d) If a governmental entity has entered into a contract that includes the expenditure of funds prohibited under this act, the governmental entity shall immediately exercise any available cancellation clause in such contract that may be exercised related to such advertising or public relations material or communication.
- (e) Nothing in this section shall apply to funds appropriated in the General Appropriations Act to promote state agriculture, industry, trade, commerce, tourism or recreation or to participate in or promote conferences, training or similar meetings.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: May 20, 1999

JOHN S. WILDER SPEAKER OF THE SENATE

JIMMY NAIFEH, SPEAKER

APPROVED this 26th day of May 1999

DON SHADQUISTI GOVERNOR